

FRAMEWORK FOR A CYPRUS SETTLEMENTP-2
Rev. Number 1478

The parties to the intercommunal talks will negotiate in good faith and in a sustained manner, under the auspices of the United Nations Secretary General, towards a comprehensive Cyprus settlement on the basis of the following conceptual framework:

(1) The Republic of Cyprus shall be a bicommunal federal state with two constituent regions, one of which will be inhabited predominantly by Greek Cypriots, the other predominantly by Turkish Cypriots. The independence, sovereignty and territorial integrity of the Republic of Cyprus shall be assured, as shall its right to conduct a policy of nonalignment should it so choose. The incorporation of all, or part, of the Republic into any other state shall be expressly prohibited.

(2) A new constitutional structure for the Republic of Cyprus, incorporating an operative federal system of government, shall be negotiated on the basis of the provisions set forth herein. The negotiators shall be guided by the Makarios-Denktash instructions of February 1977, shall draw upon pertinent elements of the Constitution of 1960, and shall bear in mind United Nations resolutions. Substantial powers and responsibilities will be reserved to the two constituent regions in such a manner as to protect the rights and to meet the concerns of members of both communities.

(3) Fundamental rights and liberties, to include freedom of movement, freedom of settlement, and the right to property ownership, shall be embodied in the federal Constitution subject only to such modifications as are required to preserve the character of each region.

(4) The following powers and functions shall reside in the federal Government of Cyprus: Foreign Affairs, External Defense, Currency and Central Banking, Interregional and Foreign Commerce, Communications, Federal Finance, Customs, Immigration, and Civil Aviation. Powers and functions not explicitly granted to the federal government shall be reserved to the two constituent regions. Powers and functions initially exercised by the regions may be assumed by the federal government upon joint agreement of the two regions.

(5) The federal government shall be structured along the following lines:

(a) Legislative authority shall be vested in a bicameral legislature, the upper chamber to represent the two communities on a basis of equality and the lower chamber to be elected in proportion to population.

(b) In the event that a majority in the upper chamber fails to concur in a bill passed by the lower

chamber, a subsequent affirmative two-thirds vote in the lower chamber shall be sufficient to enact, provided that at least three-eighths of the representatives from each community concur therein.

(c) There shall be a President and a Vice President, elected through democratic processes, one of whom shall be from one community and the other from the other community. In the event of the incapacity or temporary absence of the President, the Vice President shall act in his stead. The President and Vice President shall jointly appoint a Council of Ministers. Neither community shall have less than 30 percent of the ministerial portfolios. The President and the Vice President may jointly veto federal legislative acts, although their veto may be overridden by a two-thirds vote in each chamber.

(d) A Federal Supreme Court shall be established, to consist of one Greek Cypriot, one Turkish Cypriot, and one non-Cypriot appointed jointly by the President and the Vice President. The Court shall have the function of interpreting the Constitution and shall act as the highest court of appeal where federal legislation is concerned.

(e) Provision shall be made for the fair participation of members of both communities in the federal civil

service. Senior appointments shall be subject to approval by the upper chamber of the legislature.

(6) The two regions shall establish regional governmental institutions for the purpose of carrying out the powers and functions reserved or assigned to them under the Constitution. The executive and legislature of each region shall be democratically elected. The parties to the inter-communal talks shall discuss ways of ensuring the necessary degree of congruity between the governmental institutions of the two regions.

(7) An Agency for Regional Cooperation and Coordination shall be established, jointly headed by a Greek Cypriot and a Turkish Cypriot and staffed by an equal number of representatives of each constituent region. The Agency will foster practical cooperation between the two regions, especially in the economic and commercial field; will seek the maximum possible compatibility between the two regions; and will promote the unity of the nation.

(8) The specific territory under the administration of each region shall be negotiated on the basis of criteria such as economic viability and productivity, land ownership, security, population patterns, and historical factors. In this regard, it is understood that the Turkish Cypriot side will agree to significant geographical adjustments in favor of the Greek Cypriot side.

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(9) The parties shall make provision, to the extent feasible and consistent with the bicommunal character of the Republic, for the return of displaced persons to their properties and for the settlement of claims that may be made by those who are unable or do not choose so to return.

(10) An integral part of a final settlement shall be the withdrawal of non-Cypriot armed forces (except for those specifically agreed to) from the territory of the Republic. Consideration may be given to a possible phased demilitarization of the Republic of Cyprus in a manner that will best assure the security of the Republic and its citizens under a final settlement. It would be understood that demilitarization would not preclude lightly-armed regional police forces with the function of maintaining law and order within each region.

(11) There shall be established a Cyprus Reconciliation Fund, financed primarily by the federal government and administered jointly by the two regions, that will provide funds for development projects designed to assist in the process of readjustment subsequent to a settlement and to assist those sectors of the Republic that have the greatest economic and social need. Other governments and international organizations would be invited to contribute to the Fund.

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(12) In order to promote an atmosphere of goodwill and to resolve pressing humanitarian problems, the Varosha area shall be resettled under UN auspices in accordance with the attached arrangements. Such resettlement shall be initiated in phase with the resumption of full intercommunal negotiations on a comprehensive agreement.

Attachment

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THE VAROSHA AREA

The parties to the intercommunal talks shall cooperate with the Secretary General of the United Nations and his representatives in arranging the modalities for an early resettlement of the Varosha area. The following guidelines will obtain:

- (a) The area for resettlement shall encompass territory lying to the east of the village of Ayios Nikolaos and to the south of the old Nicosia-Famagusta road. In defining the precise area for resettlement, the concerns of the Turkish Cypriot party for the security of Old Famagusta and Famagusta Harbor shall be taken into account.
- (b) The area for resettlement shall be administered under the supervision of the United Nations, and shall be considered as an extension of the present United Nations buffer zone. There shall be a Greek Cypriot and a Turkish Cypriot liaison officer to the United Nations authorities for this purpose. Cypriot laws and regulations shall be in force in the area of resettlement.
- (c) It is understood that as many former residents of the area of resettlement may return as choose. There shall be no fixed numerical limitation.
- (d) Those who return to the area for resettlement shall not be subject to further involuntary displacement.

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